

Fresno County Economic Forecast

Fresno County serves as a financial, trade, commercial, and educational center for central California. In addition to an extensive highway system, several motor freight carriers and an extensive railway network, the county includes the Fresno-Yosemite International Airport.

Over half of all county residents (448,500) live in the city of Fresno, easily making it the largest city in the county. According to population projections, Fresno County will grow to over 1 million residents by the year 2012, an increase of 18 percent over current 2003 estimates.

Population • January 2003

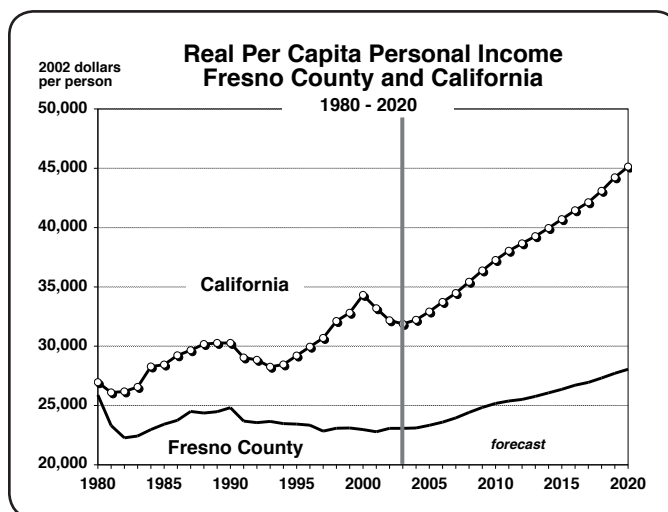
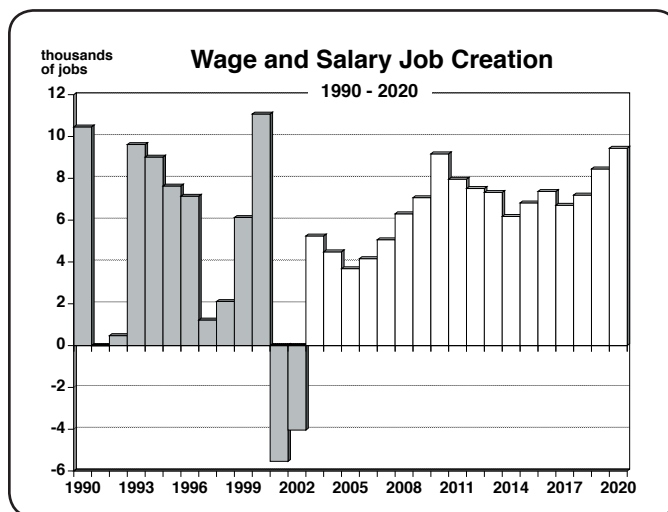
City	Population	2002-2003 % change
Fresno	448,500	1.4
Clovis	76,000	4.3
Reedley	21,350	0.7
Selma	20,900	2.7
Sanger	19,900	1.8
Total County	841,400	1.7

Adjusted for inflation, crop values have not been rising over time. Crop output has been relatively constant for a number of years in the county. Jobs in farming have been in steady decline as a percent of all job sectors. In 2002, farm jobs accounted for 11.5 percent of all wage and salary jobs in Fresno County. Ten years earlier, the farm sector represented 17 percent of total employment.

As a result of the high concentration of agriculture influencing the county's labor markets, the unemployment rate is relatively high—14.4 percent in 2002, compared to 6.7 percent for the entire State of California.

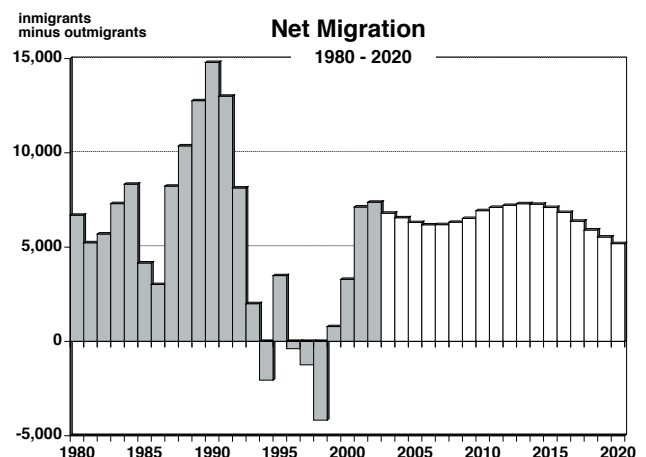
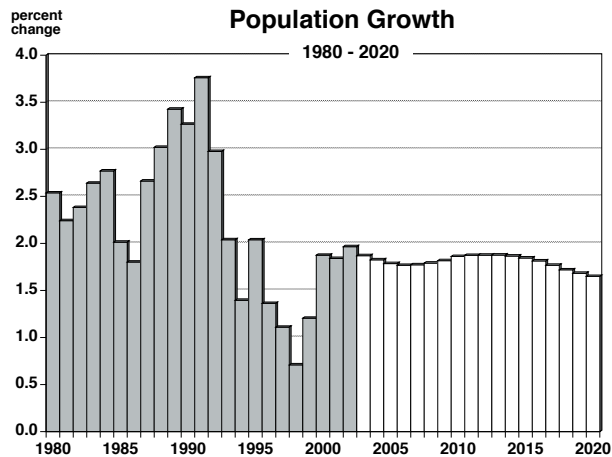
The county is becoming increasingly diversified however, with the services sector contributing 7,000 new jobs over the past 5 years. The largest share of the new jobs was reported by the government sector (up 20 percent since 1997), with local government, specifically education, accounting for nearly all of the growth.

Consequently, over both the short and long run forecast horizon, the influence of farming jobs on the Fresno labor markets, diminishes over time, giving way to more jobs in healthcare services, professional services, and manufacturing.



Forecast Highlights

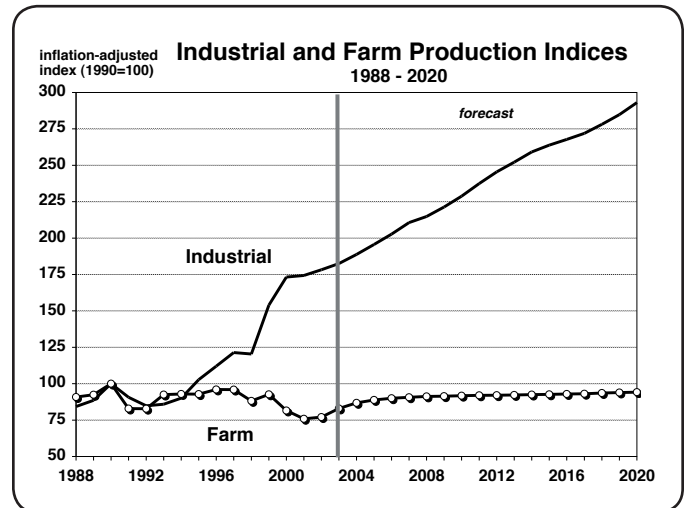
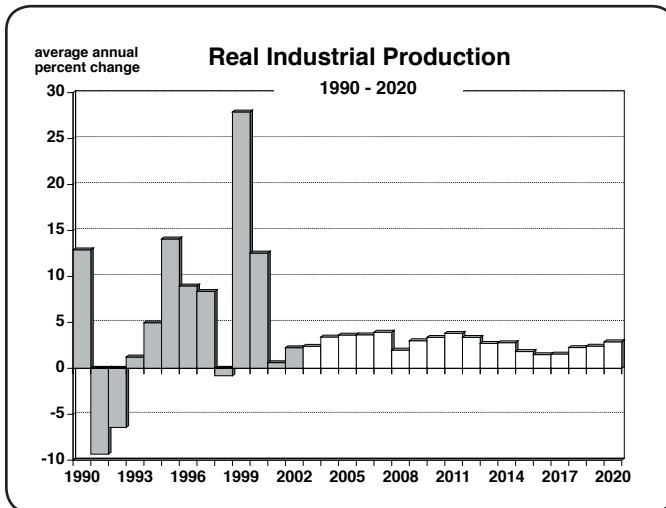
- Total jobs in the county increase an average of 1.4 percent per year between 2003 and 2008. The forecast rate of job growth is higher than the 1997 to 2002 period when employment growth averaged 0.6 percent per year.
- Population growth averages 1.7 percent per year between 2003 and 2008. This forecast rate of growth is higher than the 1.5 percent per year average growth from 1997 to 2002. Net migration is expected to average between 6,000 and 7,000 persons per year.



Fresno County Economic Forecast 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	756,000	3,489	561,002	242.4	4,091	\$4.4	\$13.9	\$23,435	\$3,142.9	\$7.0
1996	766,300	-387	557,170	246.1	3,461	\$4.6	\$14.4	\$23,341	\$3,324.9	\$7.7
1997	774,800	-1,244	520,105	249.5	2,756	\$4.7	\$14.7	\$22,834	\$3,436.4	\$8.3
1998	780,300	-4,174	546,836	251.8	3,034	\$4.9	\$15.4	\$23,085	\$3,257.7	\$8.2
1999	789,700	786	562,908	254.3	3,032	\$5.3	\$16.3	\$23,109	\$3,570.0	\$10.5
2000	804,500	3,292	579,592	252.3	3,196	\$5.9	\$17.3	\$22,973	\$3,281.3	\$11.9
2001	819,300	7,128	596,566	255.0	3,963	\$6.1	\$18.4	\$22,788	\$3,220.1	\$11.9
2002	835,400	7,382	612,944	258.3	3,758	\$6.4	\$19.3	\$23,080	\$3,319.9	\$12.2
2003	851,019	6,797	622,464	262.7	3,931	\$6.6	\$20.1	\$23,070	\$3,666.3	\$12.5
2004	866,557	6,557	630,458	266.5	4,198	\$6.8	\$21.1	\$23,105	\$3,944.1	\$12.9
2005	882,029	6,305	645,897	268.5	4,050	\$7.1	\$22.3	\$23,331	\$4,145.7	\$13.4
2006	897,612	6,184	651,926	272.4	3,936	\$7.5	\$23.6	\$23,595	\$4,315.5	\$13.9
2007	913,521	6,193	658,688	277.2	3,918	\$7.9	\$25.0	\$23,952	\$4,462.2	\$14.4
2008	929,879	6,320	665,860	280.9	3,956	\$8.3	\$26.6	\$24,414	\$4,610.0	\$14.7
2009	946,773	6,524	673,770	285.7	4,013	\$8.7	\$28.3	\$24,841	\$4,739.1	\$15.2
2010	964,393	6,935	682,220	288.6	4,093	\$9.2	\$30.0	\$25,179	\$4,887.1	\$15.7
2011	982,455	7,109	690,215	292.8	4,238	\$9.8	\$31.7	\$25,380	\$5,039.9	\$16.3
2012	1,000,874	7,216	697,495	297.6	4,226	\$10.3	\$33.4	\$25,512	\$5,192.7	\$16.8
2013	1,019,648	7,303	704,199	301.3	4,210	\$10.9	\$35.4	\$25,771	\$5,354.3	\$17.3
2014	1,038,674	7,273	710,270	305.6	4,199	\$11.5	\$37.5	\$26,067	\$5,515.3	\$17.7
2015	1,057,837	7,104	716,402	309.6	4,140	\$12.2	\$39.6	\$26,369	\$5,676.8	\$18.1
2016	1,077,027	6,837	722,389	313.6	4,135	\$12.9	\$42.0	\$26,711	\$5,853.5	\$18.3
2017	1,096,067	6,373	728,376	317.6	4,118	\$13.6	\$44.4	\$26,951	\$6,038.4	\$18.6
2018	1,114,909	5,909	734,284	321.5	4,012	\$14.4	\$47.1	\$27,318	\$6,238.3	\$19.1
2019	1,133,661	5,534	740,293	325.4	3,982	\$15.2	\$49.9	\$27,720	\$6,436.1	\$19.5
2020	1,152,357	5,185	746,470	329.2	3,984	\$16.0	\$52.7	\$28,057	\$6,621.0	\$20.1

- With the forecast decline in the proportion of total jobs contributed by the farm sector, the unemployment rate in Fresno County will decline, to under 14 percent in 2003, and continuing lower for the remainder of the forecast horizon.
- Real per capita incomes are expected to grow 1 percent per year over the next 5 years. The average salary per worker is forecast to increase 0.5 percent per year, adjusted for inflation. The average salary in 2002 was \$31,442, significantly lower than the average salary for all jobs in California at \$44,200.



Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
301.8	58.2	12.4	26.3	12.5	60.0	13.3	61.4	57.6
308.9	62.0	12.4	26.4	12.6	60.4	13.6	63.1	58.3
310.1	60.3	12.7	26.6	12.9	61.7	13.2	64.6	58.2
312.3	58.7	13.8	27.0	12.5	62.2	13.4	65.6	59.1
318.4	56.3	14.7	28.0	12.7	63.4	13.7	67.7	61.8
329.5	58.9	15.4	28.0	13.1	65.0	13.9	70.3	65.0
323.9	47.4	16.4	27.9	13.1	66.4	14.2	71.2	67.4
319.9	36.8	17.3	27.3	12.9	69.9	14.3	71.6	69.7
325.1	38.0	17.5	27.3	13.2	70.6	14.4	73.1	71.2
329.6	38.1	17.8	27.6	13.4	71.5	14.5	74.3	72.4
333.3	37.1	17.9	28.1	13.6	72.5	14.6	75.6	74.1
337.4	36.3	18.1	28.5	13.8	73.5	14.7	76.9	75.7
342.5	36.6	18.2	28.8	14.0	74.5	14.9	78.2	77.2
348.8	37.6	18.3	29.1	14.3	75.6	15.2	79.8	79.0
355.9	39.1	18.3	29.4	14.5	76.8	15.5	81.5	80.8
365.0	42.6	18.4	29.6	14.8	78.0	15.8	83.3	82.5
373.0	44.9	18.6	29.9	15.1	79.3	16.2	85.1	84.0
380.5	46.4	18.8	30.1	15.4	80.7	16.5	87.0	85.5
387.8	47.5	18.8	30.4	15.7	82.1	16.9	89.2	87.2
394.0	47.3	18.9	30.7	16.1	83.5	17.2	91.5	88.9
400.8	47.2	19.0	30.9	16.4	85.0	17.6	94.2	90.7
408.2	47.1	19.0	31.1	16.7	86.5	18.0	97.3	92.7
414.9	46.1	19.0	31.3	17.0	88.0	18.4	100.5	94.5
422.1	45.4	19.0	31.5	17.3	89.6	18.8	104.0	96.5
430.6	45.7	19.0	31.7	17.7	91.2	19.2	107.7	98.3
440.0	46.8	19.0	31.9	18.1	92.9	19.6	111.7	100.0

- The median home price during 2002 was \$124,542. Adjusted for inflation, home values are not expected to rise much for the indefinite future. There will be more residential building in the county to accommodate the demand for housing, unlike the experience in coastal California counties. Housing production is forecast to average 4,000 units per year.

